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ANNUAL AUDITED REPORT

FORM X-17A-5

PART III

FEB 28 2017

Washington DC

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

OMB APPROVAL

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8-67314

REPORT FOR THE PERIOD BEGINNING January 1, 2016 AND ENDING December 31, 2016
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Partnership Capital Growth, LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

25 Alpine Avenue

OFFICIAL USE ONLY

FIRM ID NO.

(City)	(No. and Street)	(State)	(Zip Code)
Los Gatos	CA	95030	

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Brent R. Knudsen**(415) 407-2700**

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this report*

Joseph Yafeh CPA Inc.

(Name - if individual, state, last, first, middle name)

(Address)	(City)	(State)	(Zip Code)
11300 W. Olympic Blvd., Suite 875	Los Angeles	CA	90064

CHECK ONE:

- ☒ Certified Public Accountant
☐ Public Accountant
☐ Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

* Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

SEC 1410 (06-02) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless this form displays a currently valid OMB control number.

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PARTNERSHIP CAPITAL GROWTH, LLC

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2016

SEC
Mail Processing
Section
FEB 28 2017
Washington DC
416

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A Professional Accounting Corporation
PCAOB Registered # 3346
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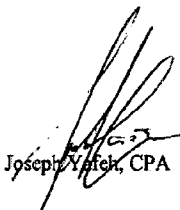
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
BALANCE SHEET ONLY

To the Board of Directors and Members
of Partnership Capital Growth, LLC

I have audited the accompanying statement of financial condition of Partnership Capital Growth, LLC as of December 31, 2016, and the related notes to the financial statements. This financial statement is the responsibility of Partnership Capital Growth, LLC's management. My responsibility is to express an opinion on this financial statement based on my audit.

I conducted my audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial position. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial position presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Partnership Capital Growth, LLC as of December 31, 2016 in accordance with accounting principles generally accepted in the United States of America.



Joseph Yafeh, CPA

Los Angeles, CA
February 24, 2017

PARTNERSHIP CAPITAL GROWTH, LLC
Statement of Financial Condition
December 31, 2016

Assets

Cash	\$ 397,904
Restricted cash	2,272
Prepaid expenses	<u>554</u>
<i>Total assets</i>	<u>\$ 400,730</u>

Liabilities and Members' Equity

Liabilities

Accounts payable	\$ 24,766
Accrued expenses	<u>13,158</u>
<i>Total liabilities</i>	<u>37,924</u>

Members' equity	<u>362,806</u>
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<i>Total liabilities and members' equity</i>	<u>\$ 400,730</u>
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See Accompanying Notes to Statement of Financial Condition

PARTNERSHIP CAPITAL GROWTH, LLC
Notes to the Statement of Financial Condition
December 31, 2015

1. Business and Summary of Significant Accounting Policies

Business

Partnership Capital Growth, LLC (the "Company") is a Delaware limited liability company formed on February 24, 2006. The Company is registered with the Securities and Exchange Commission as a securities broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. The Company's primary source of revenue was from transaction and consulting fees generated through private placement transactions executed in the Healthy, Active, and Sustainable Living marketplace.

The Company is controlled by and managed by its managing member. On November 25, 2013, the Company entered into a referral agreement with another broker-dealer ("Referral Agreement"). Under the terms of the Referral Agreement the Company facilitated hiring of multiple investment bankers from the Company by the other broker-dealer. In addition, the Company sold certain information, trademark, data and analysis related to the Healthy, Active, and Sustainable Living investment banking business. As per the terms of the Referral Agreement the Company can no longer provide investment banking services except on a limited basis and instead refer the business to the other broker-dealer. As consideration for the referral services the Company receives a referral fees as a percentage of revenue generated by the Healthy, Active and Sustainable Living investment banking team at the other broker-dealer and/or as a percentage of business referred to the other broker-dealer by the Company. The terms of the Referral Agreement expired on December 31, 2016. As part of the Referral Agreement the Company is required to maintain its broker-dealer status in order to receive the referral fees mentioned above. As a result of this transaction the Company has limited operating activities. For the year ended December 31, 2016 no referral fees were received under the referral agreement.

The Company has one managing member. As a limited liability company, the members' liability is limited to amounts reflected in the members' capital account.

Cash

The Company maintains its cash in bank deposit accounts which at times may exceed federally-insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

PARTNERSHIP CAPITAL GROWTH, LLC
Notes to the Statement of Financial Condition
December 31, 2015

Business and Summary of Significant Accounting Policies (continued)

Income Taxes

The Company is treated as a single member limited liability company for all relevant jurisdictions and its taxable income and taxes paid, if any, are included with the income tax return of the member. Management has concluded that the Company is not subject to income taxes in any jurisdiction and that there are no uncertain tax positions that would require recognition in the financial statements. Accordingly, no provision for income taxes is reflected in the financial statements. If the Company were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes. Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

2. Net Capital Requirements

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2016, the Company had net capital of \$359,980 which was \$354,980 in excess of its required net capital of \$5,000. The Company's aggregate indebtedness to net capital ratio was 0.105 to 1.

4. Related Party Transactions

During the year ended December 31, 2016 the Company earned transaction fees of \$1,250,000 from a transaction in which investment funds affiliated with the Company participated. The Managing Member of the Company also is a board member of the underlying portfolio Company of the affiliated investment funds from which the Company earned this transaction fees.

PARTNERSHIP CAPITAL GROWTH, LLC
Notes to the Statement of Financial Condition
December 31, 2015

5. Letter of Credit

The Company opened a Standby Letter of Credit with First Republic Bank in the amount of \$105,790 on July 16, 2012. The letter of credit was amended in October 2013 and reduced to \$63,330. Interest is charged at a rate of 5% annually. There were no borrowings on the letter of credit during 2015. This letter of credit is secured by a \$63,330 deposit with the bank which is reported as restricted cash in the accompanying statement of financial condition. The letter of credit was terminated in February 2016.

6. Indemnification

The Company enters into contracts that contain a variety of indemnifications for which the maximum exposure is unknown but for which management expects the risk of loss, if any, to be remote. The Company has no current claims or losses pursuant such contracts.

7. Subsequent Event

Effective January 2, 2017, the Company entered into a consulting agreement to provide certain broker dealer and consulting services to another broker dealer. The Company expects majority of its future revenues to be derived from this arrangement and/or from transactions with or related to entity affiliated with its affiliated funds.